

#### Modifier Fraud: 25, 26, 76, 77, and TC

**Chief Business Office Purchase Care Department of Program Integrity (DPI)** 



#### **Objectives**

- Definition of modifiers: 25, 26, 76, 77, and TC
- Identify fraudulent billing practices

#### Overview

#### **Providers using modifiers:**

- Modifiers are an important tool for coding and billing health care services
- In an effort to increase profit, providers are using modifiers more then ever; which makes
   VA Health Care Programs more vulnerable

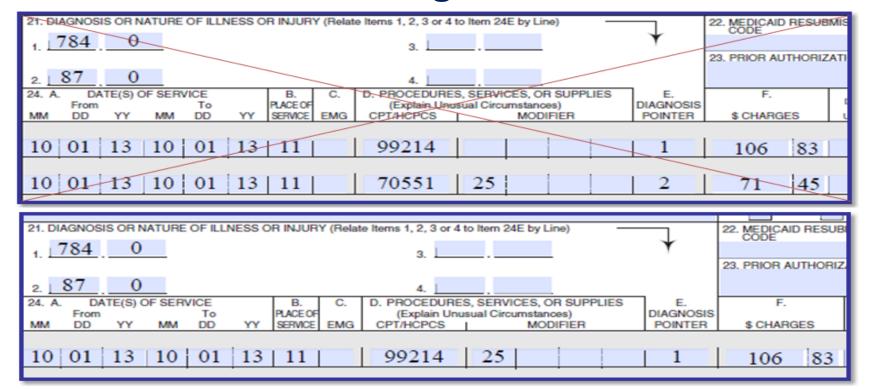
#### **Definitions of Modifiers**

Modifier	Description
25	Significant, separately identifiable evaluation and management (E/M) services by the same physician on the same day of the procedure or other service.
26	Professional Component refers to certain procedures that are a combination of a physician component and a technical component.
76	Repeat producer by the same physician; use when it is necessary to report repeat procedures performed on the same day.
77	Repeat prcodeure or service by another physican or quailifed health care professional.
TC	This modifier identifies the technical component of certain services that combine both the professional and technical portions in one procedure code. Using modifier TC identifies the technical component.

Table of modifiers and the definitions of each utilized in billing practices.

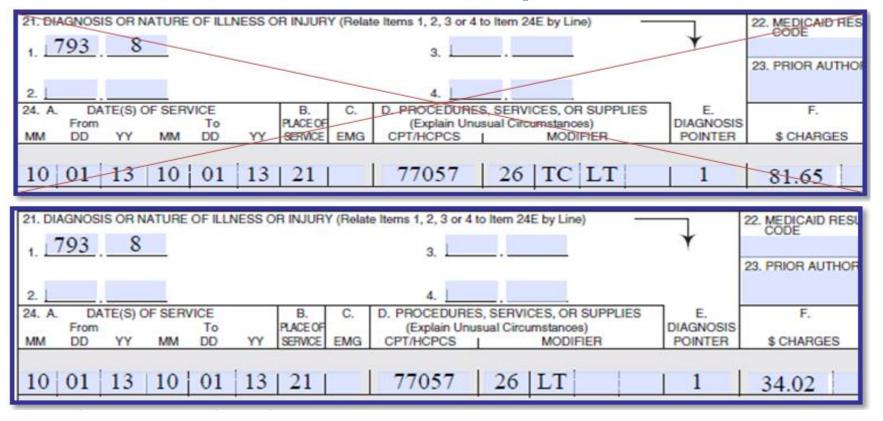
### **Modifier 25 (Example 1)**

# Professional Claim: Office visit ~ Evaluation & Management



## Modifier 26 (Example 2)

# Professional Claim: Mammography ~ Professional Component



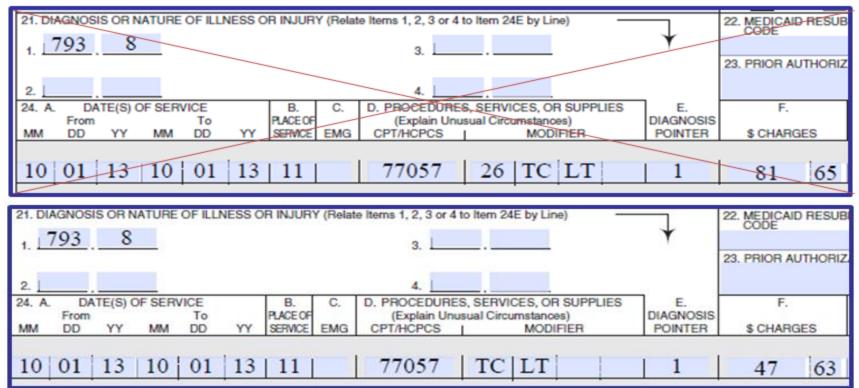
### Modifier 76/77 (Example 3)

# Professional Claim: Radiology ~ Repeat procedure by the same/different physician

24. A. DATE(S) OF SERVICE B. C. D. PROCEDURES, SERVICES, OR SUPPLIES From To PLACE OF (Explain Unusual Circumstances) MM DD YY MM DD YY SERVICE EMG CPT/HCPCS   MODIFIER	E. DIAGNOSIS POINTER	F. \$ CHARGES
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10 01 13 10 01 13 21 71275 76 77	I	819 28
24. A. DATE(S) OF SERVICE B. C. D. PROCEDURES, SERVICES, OR SUPPLIES From To PLACE OF (Explain Unusual Circumstances) MM DD YY MM DD YY SERVICE EMG CPT/HCPCS   MODIFIER	E. DIAGNOSIS POINTER	F. \$ CHARGES
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	1 1 1 1	409 64

## Modifier TC (Example 4)

# Professional Claim: Mammography ~ Technical Component



### Modifier TC (Example 4) cont.

#### **Example of Payment Rates for the TC, 26, Global Rates:**

CPT Code	Modifier	Component	Price
76705	26	Professional	\$28.24
76705	TC	Technical	\$82.00
76705	Global	Professional + Technical	\$110.23

#### Conclusion

- Provided definitions for modifiers: 25, 26, 76, 77, and TC
- Identified fraudulent modifier billing practices
- When claims are received with incorrect modifier usage, do not pay it
- www.wpsmedicare.com/part\_b/resources/modifiers/

#### References

Veterans Affairs manages several health care programs that reimburse private health care providers for caring for our Veterans and their eligible family members. Unfortunately these health care programs have a different statutory and regulatory authority, which creates diverse payment methodologies. The majority of VA health care programs utilize Medicare's payment methodologies or something very similar.

Therefore, providers and facilities that utilize Medicare's billing and coding guidelines will greatly minimize claim delays or rejections as a result of the Program Integrity Tools fraud and abuse review.

The following Medicare link is an excellent source of billing and coding guidance for all providers and facilities:

**Medicare Claim Processing Guide** 

http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/Downloads/clm104c01.pdf